Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Commerce & Gaming Committee

HB 2027

Brief Description: Regulating gambling devices.

Sponsors: Representatives Chandler and Hurst.

Brief Summary of Bill

• Allows a business to possess gambling devices or components of authorized gambling devices without first obtaining a license, provided: (a) the business registers with the Gambling Commission; (b) the devices and components are inspected and approved by the Gambling Commission; and (c) other specified requirements are met.

Hearing Date: 2/16/15

Staff: Thamas Osborn (786-7129).

Background:

Under the state Constitution, all gambling activities are illegal unless expressly authorized by statute. Legalization of a specific type of gambling activity requires the affirmative vote of 60 percent of the members of the state Legislature. The Gambling Commission (Commission) regulates all gambling activities statewide, with the exception of horse racing and the state lottery.

State law defines "gambling" as staking or risking something of value upon the outcome of a contest of chance or future contingent event not under the person's control, and which includes the expectation that something of value will be received in the event of a certain outcome.

"Gambling device" is defined to mean any device or mechanism that, when operated, creates a right to money, credits, deposits, or other things of value in return for a consideration, as the result of the operation of an element of chance. Gambling devices include slot machines, video

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pull-tabs, video poker, and other electronic games of chance. Ownership or possession of a gambling device is a felony, unless the owner is licensed by the Commission.

Summary of Bill:

A business may possess gambling devices or components of authorized gambling devices without first obtaining a license, if the business registers with the Commission. Possession of gambling devices or components of gambling devices without a license is allowed only when:

- the devices and components are: (a) inspected and approved by the Commission; (b) not available to the general public; (c) accessible only to employees of the business; (d) possessed only in locations approved by the Commission; (e) not used for gambling purposes; and
- the business is otherwise in compliance with applicable Commission regulations and has paid any inspection fees as required by the Commission.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.